

ANCHOR BCI BOND FUND

A CLASS | August 2020

Minimum Disclosure Document | Issued 09 September 2020



NAVIGATING
CHANGE

INVESTMENT OBJECTIVE

The Anchor BCI Bond Fund seeks to achieve an investment medium for investors, with its main objective being the maximum total return by primarily investing in bonds.

INVESTMENT PHILOSOPHY

The investments normally to be included in the portfolio will comprise a combination of assets in liquid form and a combination of gilts and interest-bearing securities, including loan stock, semi-gilts, notes, debentures, debenture bonds, preference shares, money-market instruments, bonds, corporate debt, convertible equities and non-equity securities. The portfolio may, from time to time, invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange-rate swap transactions for efficient portfolio management purposes.

FUND INFORMATION

Risk profile:



Inception Date 08 Feb 2016
Benchmark JSE/BESA All Bond Index (ALBI)

Fund Classification SA Interest Bearing Variable Term
Distributions Quarterly Declaration Date:
31 Mar/30 Jun/30 Sep/31 Dec

Fees (Incl. VAT):

Annual Management Fee 0.63%
Total Expense Ratio (TER) Jun 20: 0.69% (PY): 0.69%

Portfolio Value R1263.14 mn
Unit Price 102.26 cpu

MONTHLY RETURNS (%)

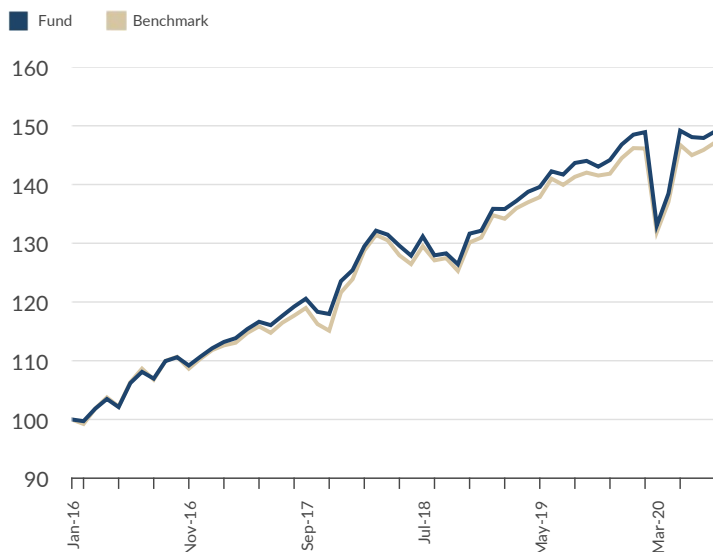
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	1.1	0.3	-10.7	4.1	7.7	-0.7	-0.1	0.8					1.5
2019	2.8	0.0	1.0	1.1	0.6	1.9	-0.4	1.4	0.2	-0.7	0.8	1.8	11.1
2018	1.5	3.2	2.1	-0.5	-1.4	-1.3	2.6	-2.4	0.3	-1.5	4.1	0.4	7.0
2017	1.3	1.0	0.6	1.4	1.1	-0.5	1.4	1.3	1.1	-1.9	-0.3	4.7	11.6
2016		-0.3	2.1	1.6	-1.3	4.0	1.8	-1.1	2.8	0.6	-1.3	1.4	10.7

RISK PROFILE: LOW

- This portfolio has no equity exposure, resulting in low risk, stable investment returns.
- The portfolio is not directly exposed to currency risk, but it is exposed to default and interest rate risks.
- The portfolio is suitable for shorter-term investment horizons.

FUND PERFORMANCE SINCE INCEPTION

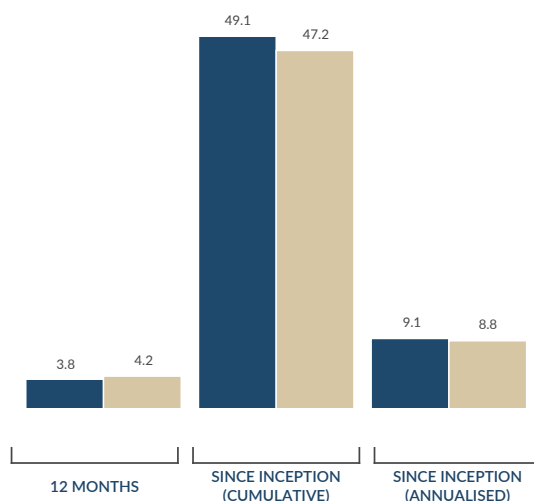
Growth of R100 investment (cumulative).



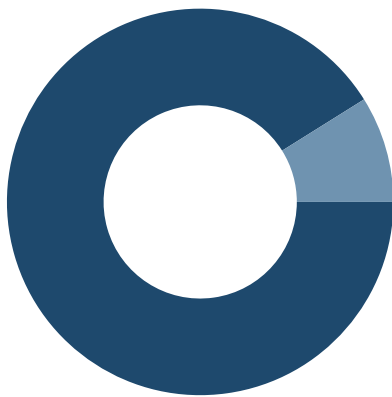
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for the amount shown with income reinvested on reinvestment date.

FUND PERFORMANCE AT 31 AUG 2020 (%)

■ Fund ■ Benchmark



Annualised return is the weighted average compound growth rate over the period measured.



Local Bonds - 91.1 Local Cash - 8.9

FUND MANAGER



Nolan Wapenaar

INFORMATION & DISCLOSURES

ISIN Number ZAE000212874
 Distributions 2018 (CPU) Nov 2.30 | 2019 (CPU) Feb 2.23; May 2.30; Aug 2.25; Nov 2.21 | 2020 (CPU) Feb 2.18; Jun 2.79

INVESTMENT MANAGER

Anchor Capital (Pty) Ltd is an authorised Financial Services Provider FSP 39834.
 • Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge or can be accessed on our website (www.bcis.co.za)
 • Valuation takes place daily and prices can be viewed on our website (www.bcis.co.za) or in the daily newspaper.
 • Actual annual percentage figures are available to existing investors on request.
 • Upon request the Manager will provide the investor with quarterly portfolio investment holdings reports.

SUBSCRIPTIONS

Valuation time 15h00
 Transaction cut-off time 14h00
 Payment reference Initials and Surname
 Minimum investment amount None*

Please send proof of deposit to fax (011) 263 6152 or e-mail instructions@bcis-transact.co.za
 *Fixed Administration Fee: R15 excluding VAT which will apply to all direct investor accounts with balances of less than R100 000 at month end, unless an investor transacts online, in which case no such fee will be levied.

MANAGEMENT COMPANY INFORMATION

Boutique Collective Investments (RF) (Pty) Ltd,
 Catnia Building Bella Rosa Village, Bella Rosa Street, Belville, 7530
 Tel: 021 007 1500/1/2 | 021 914 1880 | Fax: 086 502 5319
 Email: clientservices@bcis.co.za | www.bcis.co.za

FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that your financial advisor may be a related party to the co-naming partner and/or BCI. It is your financial advisor's responsibility to disclose all fees he/she receives from any related party. The portfolio's TER includes all fees paid by portfolio to BCI, the trustees, the auditors, banks, the co-naming partner, underlying portfolios, and any other investment consultants/ managers as well as distribution fees and LISP rebates, if applicable. The portfolio's performance numbers are calculated net of the TER expenses. The investment manager earns a portion of the service charge and performance fees where applicable. In some instance portfolios invest in other portfolios which forms part of the BCI Schemes. These investments will be detailed in this document, as applicable. Boutique Collective Investments adopted the ASISA Standard on Effective Annual Cost ("EAC"). The EAC measure allows you to compare charges on your investments as well as their impact on your investment returns prior to investing. For further information regarding the ASISA Standard on Effective Annual Cost and access to the EAC calculator please visit our website at www.bcis.co.za.

DISCLAIMER

Boutique Collective Investments (RF) (Pty) Ltd ("BCI") is a registered Manager of the Boutique Collective Investments Scheme, approved in terms of the Collective Investments Schemes Control Act, No45 of 2002 and is a full member of the Association for Savings and Investment SA. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go up or down and past performance is not necessarily an indication of future performance. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees, charges and maximum commissions is available on request. BCI reserves the right to close the portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently. Performance figures quoted for the portfolio are from Morningstar, as at the date of this document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the initial fees charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. Should the portfolio invest into another Anchor BCI co-named portfolio, the investing fund will be reimbursed for any net investment management fees incurred by the investment so that there is no additional fee payable to Anchor. Certain investments - including those involving futures, options, equity swaps, and other derivatives may give rise to substantial risk and might not be suitable for all investors. Income funds derive their income from interest-bearing instruments in accordance with Section 100(2) of the Act. The yield is a current yield and is calculated daily. Boutique Collective Investments (RF) Pty Ltd retains full legal responsibility for the third party named portfolio. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, BCI does not accept any responsibility for any claim, damages, loss or expense, however it arises, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of BCI/ the Manager's products.

SA Govt - 2048 Bond	12.6
SA Govt - 2026 Bond	12.4
SA Govt - 2035 Bond	10.7
SA Govt - 2040 Bond	9.3
SA Govt - 2032 Bond	9.1
SA Govt - 2030 Bond	9.0
SA Govt - 2037 Bond	8.7
Investec Cash	8.4
SA Govt - 2044 Bond	8.1
SA Govt - 2031 Bond	2.9

FUND MANAGER COMMENTARY AT 31 AUG 2020

The rand and bonds are slightly stronger for the month and portfolio returns are a little higher than expected. Overall, this is a good outcome for August. What started as the great COVID-19 induced lockdown in March 2020 has become the great unlock as we enter spring. We continue to see improving signs of a recovery taking hold. We also saw signs of rising inflation with the most recent CPI print (for July) of 3.2%, seeming to indicate that the interest rate cutting cycle has come to an end. The South African Reserve Bank (SARB) has done its part for the local economy and the onus is now on government to roll out a meaningful recovery plan. We note that President Cyril Ramaphosa's stance on corruption and his assertiveness within the NEC at its end-August meeting are a small step in the right direction. We eagerly await corrupt politicians in orange overalls, growth-friendly policies and functional state-owned enterprises. Bonds continue to offer good value, with current yields providing investors with an attractive entry point to the asset class.

FEE DETAILS

	Class A
Initial fees (BCI) (incl. VAT)	0%
Advisory Fee (Max) (incl VAT)	0%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%
Annual Management Fee (incl VAT)	
Class A	0.63%
Performance Fee	None
TER and Transaction Cost (incl VAT)	
Basic	Jun 20: 0.69% (PY): 0.69%
Portfolio Transaction Cost	Jun 20: 0.00% (PY): 0.00%
Total Investment Charge	Jun 20: 0.69% (PY): 0.69%

A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Transaction Costs are a necessary cost in administering the Fund and impacts Fund returns. The TIC should not be considered in isolation as returns may be impacted by many other factors over me including market returns, the type of Fund, the investment decisions of the investment manager and the TER. The TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 30 June 2020, whilst the underlying portfolios ratio and cost calculations are based upon their most recent published figures, being 30 June 2020.

CUSTODIAN / TRUSTEE INFORMATION

The Standard Bank of South Africa Ltd
 Tel: 021 441 4100

